Statement Of

The Honorable C. Suzanne Mencer Director Office for Domestic Preparedness

Before The

Subcommittee on Homeland Security Committee on Appropriations

U.S. House of Representatives

March 18, 2004 Washington, D.C. Chairman Rogers, Congressman Sabo, and Members of the Subcommittee, my name is Sue Mencer, and I serve as Director of the Department of Homeland Security's (DHS) Office for Domestic Preparedness (ODP). On behalf of Secretary Ridge, it is my pleasure to appear before you today to discuss the President's Fiscal Year 2005 budget request for ODP.

On behalf of all of us at DHS, I want to thank you Mr. Chairman, and all the members of the Subcommittee, for your ongoing support for the Department and for the Office for Domestic Preparedness. You and your colleagues have entrusted us with a great responsibility, and we will meet that responsibility, and manage the funds you have provided us, with the utmost diligence.

As you are all aware, ODP is the Federal government's principal agency responsible for preparing our Nation against terrorism by assisting states, local jurisdictions, regional authorities and tribal governments in building their capacity to prepare for, prevent, and respond to acts of terrorism. Through its programs and activities, ODP equips, trains, exercises and supports state and local homeland security personnel – our nation's first responders - who may be called upon to prevent and respond to terrorist attacks involving chemical, biological, radiological, nuclear, or explosive devices.

Mr. Chairman, ODP, by combining subject matter expertise, grant-making know-how, and establishing strong and long-standing ties to the nation's public safety community, has established an outstanding track record of capacity building at the state and local

level. Since its creation in 1998 ODP has provided assistance to all 50 states, the District of Columbia, the Commonwealth of Puerto Rico and the U.S. territories. Through its programs and initiatives ODP has trained 325,000 emergency responders from more than 5,000 jurisdictions and conducted more than 300 exercises. And, as of the end of Fiscal Year 2004, ODP will have provided states and localities with over \$7.1 billion in assistance and direct support.

Throughout its history ODP has strived to improve how it serves its state and local constituents. For example Mr. Chairman, in Fiscal Year 2003, application materials for ODP's State Homeland Security Grant Program - under both the Fiscal Year 2003 Omnibus Appropriations Bill, and the Fiscal Year 2003 Supplemental Appropriations Bill - were made available to the states within two weeks of those bills becoming law. Further, over 90% of the grants made under that program were awarded within 14 days or less of ODP receiving the grant applications.

During Fiscal Year 2005, ODP will continue to provide states and localities with the resources they require to ensure the safety of the American public. These funds will allow ODP to provide states and localities with training, equipment, exercises, technical assistance and other support necessary to better prepare our communities to prevent, plan for, and respond to incidents of terrorism.

We will strive to provide this assistance in as timely and efficient manner as possible. To that end Mr. Chairman, this past Monday [March 15, 2004], Secretary Ridge announced

the creation of the Homeland Security Funding Task Force. This task force, comprised of several governors, mayors, county executives, and a representative of tribal governments, will examine DHS' funding process for state and local assistance to ensure that DHS funds to the nation's first responders move quickly and efficiently. By incorporating the direct involvement of states, local communities, and tribal governments, this task force will provide an ongoing source of information to assist DHS do a better job. The formation of this task force underscores the Secretary's commitment to a partnership between the federal government and its state and local counterparts, and his approach to homeland security as "One Mission, One Team."

As you know, for Fiscal Year 2005, the President has requested over \$3.5 billion to support ODP programs and activities. This represents a \$3.3 million increase over the Fiscal Year 2004 request.

The Fiscal Year 2005 request includes over \$1.4 billion for direct assistance to the states through the Homeland Security Grant Program. As in Fiscal Year 2004, the State Homeland Security Grant program combines three ODP funding initiatives into one funding source to the states. These are the State Homeland Security Program, for which we ask \$700 million; the Law Enforcement Terrorism Prevention Program, for which we ask \$500 million; and the Citizens Corps Program, for which we ask \$50 million.

Combining these three programs into a single, funding source, lessens the burden placed on the states by streamlining and simplifying the grant process, reduces the overall administrative costs of these programs, and creates the "one-stop-shop" that the nation's first responders want.

The Fiscal Year 2005 request further includes \$91.9 million for ODP's direct training initiatives for first responders, including continued support for the National Domestic Preparedness Consortium and ODP's Center for Domestic Preparedness. An additional \$59.9 million is requested for the National Exercise Program, including funding to support the planning and initial phases of the Top Officials or TOPOFF 3 Exercise to take place in 2005.

Also included in the President's request is \$1.4 billion for the continuation of the Urban Areas Security Initiative or UASI program, which directs assistance to better secure specific urban areas based on population density, vulnerabilities and identifiable threats. Fiscal Year 2005 will mark the third year of the UASI program, which grew from 30 urban areas in Fiscal Year 2003 to 50 urban areas in Fiscal Year 2004.

Also included in the request is \$170 million for the Emergency Management

Performance Grant (EMPG) Program. Fiscal Year 2005 will mark the first year for
which ODP has responsibility for these grants. Placement of these grants within ODP
will again bring us closer to the establishment of a "one-stop-shop", and will enable
states to better coordinate and identify available preparedness resources.

Also, as you are aware, the President's request includes placing a 25% cap on EMPG funds that may be used for salaries. The Department's rational for this limitation is simple and straightforward. First, it recognizes that emergency management and planning is a shared responsibility between the states and the federal government. Second, by limiting the amount of these funds that can be used for salaries, we are increasing funding available for planning, training, and exercises. The decision to ensure that at least 75% of EMPG funds focus on planning, training, and exercises is deliberate. We want to ensure that these federal funds are spent in a manner consistent with ODP's mission to assist states in building their capacity to prevent, plan for, and respond to acts of terrorism.

The Fiscal Year 2005 request also contains \$500 million for the Assistance to Firefighters, or Fire Act, Grant Program. ODP became responsible for this program recently and I want to assure you that we are fully committed to working with the fire service to ensure the continued success of this initiative and to ensure continued support for the nation's firefighters. I am pleased to report that the solicitation for the Fiscal year 2004 Fire Act Program opened March 1, 2004 and will close on April 2, 2004. By the end of this current fiscal year, ODP expects that over \$2 billion will have been distributed to over 15,000 fire departments since the program's inception.

In preparing the Fiscal Year 2005 request, the Administration was committed to continuing to seek ways to improve how ODP's grants are administered and distributed, and to improve how the Department, through ODP, assists the states, territories, and local

communities. As part of this effort the Administration has requested that the Secretary be provided increased flexibility under the distribution formula for ODP's Homeland Security Grant Program as contained in Section 1014 of the USA PATRIOT Act. This request is consistent with the department's long-standing position that the PATRIOT Act formula be changed.

In requesting a change to the current formula, we acknowledge that a higher level of protection is needed where a larger number of people are located. At the same time, however, we believe that the current formula fails to recognize that simple linear population increases do not necessarily equate to proportionate increases in threat.

Our request to change the formula is designed to ensure that we can target federal dollars in a manner consistent with protecting the nation in the most efficient and effective manner. It is designed to enable the Secretary to consider critical factors such as threats and vulnerabilities – factors this Subcommittee recognized as important when it created the UASI Program. This change appreciates that threats and vulnerabilities shift and change, and that DHS, through the Secretary, requires the ability – the flexibility – to move federal resources to respond to those shifts and changes.

This nuanced approach does not mean, however, that minimum or base funding levels for the states and territories will be eliminated. As you are aware, Secretary Ridge has consistently stated that a minimum amount of funds must be provided to all states and territories, and that for the nation to be secure, all states and territories must have the resources to address their particular and unique security needs.

Much of how we determine the distribution of Homeland Security Grant Program funds will be influenced by the results of the State Homeland Security Assessments and Strategies. As you know, each state, the District of Columbia, the Commonwealth of Puerto Rico, and the territories were required to submit their assessments and strategies by January 31, 2004. I am happy to report that all assessments and strategies have been received and are currently under review by an intra – DHS review board comprised of representatives from all Department components. Of those strategies, 37 have been approved by ODP. The remaining 19 should be approved shortly.

Beyond the support for the nation's states and localities found in our Fiscal Year 2005 budget request, the Department also is taking steps to ensure that its staff and program offices can more efficiently support states and localities. Recently Secretary Ridge announced his intention to consolidate the Office for Domestic Preparedness with the Office for State and Local Government Coordination to form a new office – the Office for State and Local Government Coordination and Preparedness.

This consolidation is in direct response to requests from the nation's first responders to provide the emergency response community with a "one-stop-shop" that is a central focal point for grants, assistance, and other interactions with DHS. This consolidation will place 25 various state and local support programs and initiatives within one office to

ensure simplified and coordinated administration of these programs. This consolidation also will eliminate the duplication across program lines and heighten the complimentary and synergistic aspects of these programs, thereby maximizing their ultimate impact on states and localities.

At the same time, grouping these programs under one consolidated office will ensure that the staffs and the programmatic expertise which guides these programs will work together, share their expertise, and achieve the Department's goal of a better prepared America. The consolidation will enable DHS to evaluate these programs more accurately and exercise greater oversight. At the end of the day, this decision will benefit states and localities by providing them with a unified and coordinated means of assistance and support.

In closing Mr. Chairman, let me re-state Secretary Ridge's commitment to support the nation's state and local emergency response community, and to ensure that America's first responders receive the resources and support they require to do their jobs. This concludes my statement. I am happy to respond to any questions that you and the members of the Subcommittee may have. Thank you.